

REPLACEMENT

COUNCIL AGENDA: 6-7-05

ITEM: 7.1

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Carl W. Mosher

SUBJECT: SEE BELOW

DATE: 6-7-05

Approved

Date

6/7/05

COUNCIL DISTRICT: 4

**SUBJECT: WATER SUPPLY ASSESSMENT FOR NORTH SAN JOSE
DEVELOPMENT POLICIES UPDATE**

REASON FOR REPLACEMENT

To provide the attachment on the Water Supply Assessment for North San Jose, as referenced in the memo dated June 6, 2005, and to provide minor adjusted figures in the report on page 2 under Analysis to be consistent with the final attached report.

RECOMMENDATION

Approval of Muni Water's Water Supply Assessment (WSA) for North San Jose Development Policies Update.

BACKGROUND

The City of San Jose is proposing to intensify development allowed within the Rincon de los Esteros Redevelopment Area.

The area is characterized by industrial parks with scattered enclaves of high and medium-high density residential land uses. The project includes approximately 26.7 million square feet of new industrial/office/R&D building space in the Rincon de los Esteros Redevelopment Area beyond existing entitlements. In addition, up to 32,000 new dwelling units would be allowed in the Rincon area at minimum densities of 20, 55 or 90 dwelling units per acre (DU/AC) depending on their location. The project area consists of approximately 4,987 acres located south of State Route 237, east of the Guadalupe River and generally north and west of Interstate 880, but also including land along both sides of Murphy Avenue as far east as Lundy Avenue.

The proposed project, at full build-out expected in 2025, will increase water demand by 8.1 million gallons per day (mgd) of which 2.9 mgd will be supplied by San Jose Water Company and 5.2 mgd will be supplied by Muni Water.

As required by California Water Code Section 10910 (Senate Bill 610), Muni Water has prepared a WSA (Attachment I) to assess whether existing and future water supplies for its North San Jose/Alviso service area would be adequate to meet the area's build-out water demands. California Water Code Section 10910 which became effective January 1, 2002, requires that a water supply assessment be provided to cities and counties for any project involving 500 or more residential units. The water supply assessment documents sources of water supply, quantifies water demands, evaluates drought impacts, and provides a comparison of water supply and demand so that a determination of water supply sufficiency can be made for large development projects.

ANALYSIS

Muni Water retained the services of Todd Engineers to prepare the WSA for the North San Jose Development Policies update. The assessment concluded that there is sufficient water to meet projected water demands during normal and multiple dry years as shown in Table 11 of the WSA. Muni Water's demands are projected to increase from 5,970 acre-feet (AF - 1 AF = 325,000 gallons) in 2004 to 12,130 AF in 2025. This increased demand will be met from three sources:

1. San Francisco Public Utilities Commission (SFPUC)

SFPUC informed Muni Water that in 2025 Hetch Hetchy water available for the North San Jose/Alviso area will be 7,100 AF and 3,284 AF during normal and multiple dry years, respectively. The current contract with the SFPUC expires in 2009. Negotiations for a new contract are expected to commence in 2006.

2. Santa Clara Valley Water District (District)

Muni Water has four wells in North San Jose that were constructed between 1982 and 1984. Two additional wells will be constructed with this development to provide additional reliability. It is anticipated that during multiple dry years, it will be necessary to request as much as 4,170 AF from the District to meet water demands. The supply from the District will most likely be groundwater. Treated surface water will also be used should it be made available by the District.

3. Recycled Water

In order to meet future demands, use of recycled water must increase from the current 608 AF to at least 2,322 AF and possibly as much as 4,711 AF by 2025. Several measures will be necessary to maximize the use of recycled water.

- At a minimum, 90% of all new irrigation demand must be supplied with recycled water and retrofit of existing irrigation customers will need to continue;
- Recycled water use for industrial purposes will need to increase by at least 50%;
- All new commercial and industrial buildings may need to be dual plumbed for limited indoor use of recycled water.

Achieving the necessary usage of recycled water may require developer extension of the recycled water distribution system, as well as construction of the on-site improvements needed for landscape irrigation use of recycled water and dual plumbing in commercial and industrial buildings.

4. Water Demand Management

Long-term sufficiency of water supply for the project should also be supported through water demand management. The City continues to work with the District and other agencies to conserve water and decrease overall system demand.

The ongoing work in conservation includes the following best management practices:

- Water survey programs for residential customers;
- Residential plumbing retrofit;
- System water audits, leak detection repair;
- Metering with commodity rates for all new connections and retrofit existing connections;
- Large landscape conservation programs and incentives;
- High efficiency washing machine rebate program;
- Public information programs;
- School education programs;
- Conservation pricing;
- Water waste prohibition;
- Residential ULF toilets replacement programs.

Conclusion

There is sufficient water to meet projected water demands during normal and multiple dry years. The City will continue to work with the District and SFPUC to ensure long-term water supply reliability and avoid water shortages.

OUTCOMES

Approving the WSA is a required element in the EIR certification process.

PUBLIC OUTREACH

Public outreach was not necessary for this recommendation.

COST IMPLICATION

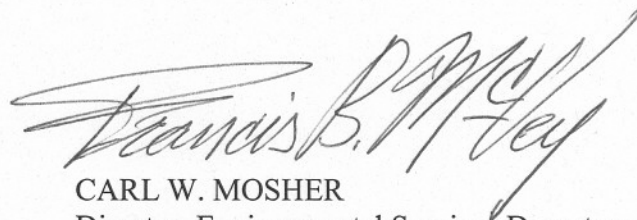
This recommendation meets the general principles of the Mayor's FY 2004-05 Budget Strategy by protecting a core service.

COORDINATION

The WSA was coordinated with the Offices of Economic Development, Planning, the SFPUC, the District, and City Attorney's Office.

CEQA

Exempt, File No. PP05-131.

A handwritten signature in dark ink, appearing to read "Francis B. Mosher", is written over the printed name and title.

CARL W. MOSHER

Director, Environmental Services Department